GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2139
ANSWERED ON:01.12.2000
PRIORITY SECTOR LENDING
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Will the Minister of FINANCE be pleased to state:

(a) the amount of loans disbursed to the priority sectors during the financial years, 1997-98, 1998-99 and 1999-2000;

(b) the percentage of loan disbursed particularly to the Agriculture sector as well as small cottage industries;

(c) whether the loans have not been disbursed to the priority sectors by the Nationalized Banks during the last three years as per the guidelines issued in this regard; and

(d) if so, the extent to which it was lower than that the prescribed amount as per the guidelines?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):

(a) and (b) The outstanding advances of public sector banks to priority sector and its sub-sectors of agriculture, SSI and weaker sections as on the last reporting Friday of March 1998, 1999 and 2000 are given below. The position of lending to the priority sector and its sub-sectors in terms of their percentage to the Net Bank Credit (NBC) visa-vis the targets are also indicated in the Table.

(Amount in Rs. Crore)

	March 1998	March 1999	March 2000
I. Net Bank Credit (NBC)	218219	246203	292943
II. Total Priority Sector(PS) Advances	91319	107200	127807
Percentage of PS Adv.to NBC CTarget-40%)	41.85	43.54	43.63
III. Total agricultural advances	34304	40078	46190
Percentage of Agri Adv.to NBCfTarget-18%)	15.72	16.28	15.77
IV. Advances to Small Scale Industries (SSI)	38109	42674	45788
Percentage of SSI Adv.to NBC (Targetâ€”no target)	17.46	17.33	15.63
V. Adv to weaker sections	181.34	18799	21145
Percentage of Adv. to Weaker Sections to NBC (Target-10%)	8.31	7.64	7.22

(c) and (d) Public sector banks have achieved the target of 40 per cent of NBC forlending to priority sector during the last three years. However, their lending to Agriculture and Weaker Sections is below the stipulated target as indicated in the above Table.